

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION COMMITTEE ON APPROPRIATIONS

Call to Order: By **CHAIRMAN STEVE VICK**, on March 14, 2001 at 3:00 P.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. Steve Vick, Chairman (R)
Rep. Dave Lewis, Vice Chairman (R)
Rep. Matt McCann, Vice Chairman (D)
Rep. John Brueggeman (R)
Rep. Rosalie (Rosie) Buzzas (D)
Rep. Tim Callahan (D)
Rep. Edith Clark (R)
Rep. Bob Davies (R)
Rep. Stanley Fisher (R)
Rep. Dick Haines (R)
Rep. Joey Jayne (D)
Rep. Dave Kasten (R)
Rep. Christine Kaufmann (D)
Rep. Monica Lindeen (D)
Rep. Jeff Pattison (R)
Rep. Art Peterson (R)
Rep. Joe Tropila (D)
Rep. John Witt (R)

Members Excused: None.

Members Absent: None.

Staff Present: Paula Broadhurst, Committee Secretary
Taryn Purdy, Legislative Branch

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: HB 610, HB 11
Executive Action: HB 610, HB 11, HB 43, HB
347, HB 562, HB 324, HB
62, HB 395

HEARING ON HB 610

Sponsor: REP. DAVE KASTEN, HD 99, BROCKWAY

Proponents: None

Opponents: Bill Kennedy, Yellowstone County Commissioner
John Beer, Essex Water & Sewer District
Jan Niemeyer, Charlo Sewer District
REP. JEFF PATTISON, HD 95, GLASGOW

Opening Statement by Sponsor:

REP. DAVE KASTEN, HD 99, BROCKWAY, introduced HB 610 and stated it would increase the general fund revenue by \$1,822,000.

Proponents' Testimony:

Bill Kennedy, Yellowstone County Commissioner, referred to the second page of the fiscal note and pointed out the effects on the counties. He explained alternative funding for TSEP projects. He asked the committee to not pass this legislation.

John Beer, Essex Water & Sewer District, said their project would be eliminated with the passing of this bill.

Jan Niemeyer, Charlo Sewer District, explained requests to add 20 new homes to their 50 year old system. He expressed without the improvements to their old system, it would be difficult to add the new homes.

REP. JEFF PATTISON, HD 95, GLASGOW, explained to the committee how HB 610 would impact the Hinsdale area and he strongly opposed the bill.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. CHRISTINE KAUFMANN asked to list the five projects that would be dropped as a result of the bill. REP. KASTEN named the five projects.

REP. KAUFMANN expressed concern for the communities that believed they would receive funding and then would not receive it. REP. KASTEN said this was a struggle issue and he understood the concern of the communities.

REP. JOEY JAYNE asked for reasons the projects had been eliminated. **Jane Hammon, Office of Budget & Program Planning**, explained reasons pertaining to the coal producers license tax. She referred to page two of the bill and mentioned the things to be done during the special session. She handed out a table of grant recommendations **EXHIBIT (aph58a01)**.

REP. JAYNE asked when noticed was received that Charlo would not be on the list to receive funds. **Jan Niemeyer** said it was about two weeks prior to this hearing.

REP. JAYNE asked if up to that point did Charlo community think they were on the list. **Jan Niemeyer** explained how the funding affected their planning.

REP. TIM CALLAHAN asked where the funds would go if they didn't go these projects. **REP. KASTEN** said they would go into the general fund.

REP. JAYNE asked what would be the impact of putting back into these five projects. **REP. KASTEN** hoped through the process, money would be found to enable them to leave these projects intact.

REP. JAYNE asked how much the bill would reduce the amount going into the projects. **REP. KASTEN** said it was \$1,822,000 over the biennium.

REP. PATTISON asked what would happen if the bill did not pass. **REP. KASTEN** said the bill would put them back on the law the way it was. He explained the bill was necessary to be in conformity with the statutes. **Jane Hammon** stated the law was based on the passing of this bill last session, which changed he percentage. She mentioned the referendum passed by voters that changed the law.

REP. DICK HAINES asked if this would allow the projects to go forward. **Jane Hammon** responded affirmatively, based on a deferred effective date of the bill.

CHAIRMAN STEVE VICK said the bill would have a delayed effective date, which would fund the projects with the general fund. He emphasized needing to be clear with the language if a delayed effective date was on the bill.

REP. JOHN WITT asked if the \$1.8 million was on HB 2 currently. **CHAIRMAN VICK** answered yes.

REP. WITT asked if money would be reinstate back into the general fund to use for other purposes. **REP. KASTEN** said the \$1.8 million had been put into education.

REP. WITT said the \$1.9 million in education came from declining enrollments in A and B. **REP. KASTEN** agreed. **Taryn Purdy, Legislative Staff**, wasn't sure if the declining enrollments came from A and B.

{Tape 1; Side B}

Closing by Sponsor:

REP. DAVE KASTEN, HD 99, BROCKWAY, summarized the bill and explained to make it current law. He mentioned the projects and effects the bill would offer counties.

HEARING ON HB 11

Sponsor: **REP. DAVE KASTEN HD 99, BROCKWAY**

Proponents: **Jim Edgcomb, Department of Commerce**
Joe Yeoman, Fort Peck Rural County Water District
Gloria Paladichuk, Richland Economic Development
Eric Griffin, Lewis and Clark County
Steve Waite, North Central Regional Water Project
John Beer, Essex Water and Sewer District
Jan Niemeyer, Charlo Sewer District

Opponents: **None**

Opening Statement by Sponsor:

REP. DAVE KASTEN HD 99, BROCKWAY, explained how the bill would appropriate money from the Treasure State Endowment Fund to 26 local governments to fund public infrastructure projects.

Proponents' Testimony:

Jim Edgcomb, Department of Commerce, handed in a written testimony **EXHIBIT**(aph58a02).

Joe Yeoman, Fort Peck Rural County Water District, handed in a written testimony **EXHIBIT**(aph58a03).

Gloria Paladichuk, Richland Economic Development, wanted the committee to fund the five projects referred to in HB 610.

Eric Griffin, Lewis and Clark County, supported the bill and asked for a do pass.

Steve Waite, North Central Regional Water Project, mentioned projects he was involved covering 10% of the state. He urged support of the bill.

John Beer, Essex Water and Sewer District, wanted the committee to pass this legislation without amendments.

Jan Niemeyer, Charlo Sewer District, encouraged the committee to pass the legislation.

Opponents' Testimony: None

Questions from Committee Members and Responses:

REP. ART PETERSON asked if the projects would go down to 31 on the list and be omitted. **REP. KASTEN** listed the projects that would have a line drawn through them.

CHAIRMAN VICK pointed out how other funds were available.

REP. PETERSON asked why Hinsdale was omitted. **REP. KASTEN** said there wouldn't be funds available for them.

Closing by Sponsor:

REP. DAVE KASTEN HD 99, BROCKWAY, closed on the bill and asked for a do pass.

EXECUTIVE ACTION ON HB 610

Motion: **REP. KASTEN** moved HB 610 DO PASS.

Discussion:

REP. DAVE LEWIS proposed ideas about the possible effective date of the bill.

CHAIRMAN VICK explained the \$1.8 million and mentioned other funding issues related to HB 2.

REP. WITT agreed with the possible amendment.

REP. EDITH CLARK asked what would happen if only \$1 million was given. **CHAIRMAN VICK** said it would move the funding line down and research would have to be done.

{Tape 2; Side A}

REP. STANLEY FISHER didn't want to second guess the long range planning committee.

Substitute Motion: **REP. LEWIS** made a substitute motion changing the effective date to July 1, 2003.

Discussion:

CHAIRMAN VICK disagreed with the effective date. **REP. KASTEN** was against the amendment.

REP. KAUFMANN spoke in favor of the amendment.

REP. HAINES felt the issue dealt with the integrity of the state and it probably needed to be passed with the amendment.

Taryn Purdy explained a loss of interest to TSEF and the other change needed to be included in the amendment.

Vote: Substitute Motion carried 12-6 with **REP. BRUEGGEMAN**, **REP. DAVIES**, **REP. FISHER**, **REP. KASTEN**, **REP. MCCANN** and **CHAIRMAN VICK** voting no.

Motion: **REP. KASTEN** moved HB 610 DO PASS AS AMENDED.

Discussion:

REP. ROSIE BUZZAS asked for clarification dealing with the funding of the bill. **CHAIRMAN VICK** explained the financial impact of the bill. **Brian McCullough, Legislative Fiscal Division**, talked about the impact and the growth of the Treasure State Endowment Fund.

Vote: Motion carried unanimously.

EXECUTIVE ACTION ON HB 11

Motion: **REP. KASTEN** moved HB 11 BE AMENDED. Amendments were handed out **EXHIBIT**(aph58a04).

Discussion:

REP. KAUFMANN wondered why this wasn't in sub-committee. **Brian McCullough** explained why it was being done. **Taryn Purdy** explained the sub-committee actions.

REP. BUZZAS asked if the amendments were being moved as one package. **CHAIRMAN VICK** answered yes.

Vote: Motion carried unanimously.

Motion: REP. KASTEN moved HB 11 BE AMENDED. Amendments were handed out **EXHIBIT**(aph58a05).

Discussion:

CHAIRMAN VICK talked about emergency grants.

REP. BUZZAS asked for clarification on the funding. **Brian McCullough** explained the funding.

REP. BUZZAS asked if the Department of Commerce had a fund for emergency grants. **Brian McCullough** answered no.

REP. KASTEN said this would be in place as an emergency fund.

Vote: Motion carried unanimously.

Motion: REP. KASTEN moved HB 11 BE AMENDED. REP. KASTEN offered another proposed amendment and asked **Brian McCullough** to explain.

Discussion:

Brian McCullough explained the amendment and the need for a conceptual amendment.

Withdrawn Motion: REP. KASTEN withdrew his motion to amend.

Substitute Motion/Vote: REP. KASTEN made a substitute motion adding a conceptual amendment. Motion carried unanimously.

Discussion:

{Tape 2; Side B}

Motion: REP. KASTEN moved HB 11 DO PASS AS AMENDED.

Discussion:

Brian McCullough mentioned there was a loan in one of the other projects.

REP. CLARK asked about the conceptual amendment taking \$100,000 from emergency grant programs. **CHAIRMAN VICK** explained how it would work.

REP. CLARK asked if Conrad would qualify for the emergency grant program. **Jim EDGCOMB** explained the evaluation process.

CHAIRMAN VICK wondered if the program would be similar to the DNRC. **Jim EDGCOMB** said that was the intent.

Substitute Motion: **REP. CLARK** made a substitute motion taking \$100,000 from emergency grant program for Conrad water projects.

Discussion:

REP. KASTEN was neutral on the issue.

Vote: Motion carried unanimously.

Motion/Vote: **REP. KASTEN** moved HB 11 DO PASS AS AMENDED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 43

Motion/Vote: **REP. CLARK** moved HB 43 BE TABLED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 347

Motion/Vote: **REP. CLARK** moved HB 347 BE TABLED. Motion carried unanimously.

EXECUTIVE ACTION ON HB 562

Motion/Vote: **REP. PETERSON** moved HB 562 BE TABLED. Motion carried 17-1 with **REP. BUZZAS** voting no.

EXECUTIVE ACTION ON HB 324

Motion: **REP. LINDEEN** moved HB 324 to be off the table.

Discussion:

REP. DAVE LEWIS didn't understand the reason for a voluntary licensing process. **REP. JEFF MANGAN** explained the reasoning for the amendment.

REP. BUZZAS asked how this would affect the ability to get food programs. **REP. MANGAN** explained the effects involved.

Vote: Motion to take HB 324 off of the table carried 11-6 with **REP. BRUEGGEMAN**, **REP. DAVIES**, **REP. FISHER**, **REP. KASTEN**, **REP. PATTISON**, and **CHAIRMAN VICK** voting no. **REP. MCCANN** could not vote on the motion.

Motion/Vote: **REP. LINDEEN** moved HB 324 BE AMENDED. Amendments were handed out **EXHIBIT**(aph58a06). Motion carried 11-6 with **REP. BRUEGGEMAN**, **REP. DAVIES**, **REP. FISHER**, **REP. KASTEN**, **REP. PATTISON** and **CHAIRMAN VICK** voting no. **REP. MCCANN** could not vote on the motion.

Motion/Vote: **REP. LINDEEN** moved HB 324 DO PASS AS AMENDED. Motion carried 12-6 with **REP. BRUEGGEMAN**, **REP. DAVIES**, **REP. FISHER**, **REP. KASTEN**, **REP. PATTISON** and **CHAIRMAN VICK** voting no.

EXECUTIVE ACTION ON HB 62

Motion: **REP. CALLAHAN** moved HB 62 BE AMENDED. Amendments were handed out **EXHIBIT**(aph58a07).

Discussion:

REP. JOE TROPILA asked about SB 176. **REP. CALLAHAN** explained SB 176 was the bill allowing the Supreme Court to assume district court functions.

CHAIRMAN VICK expressed his concerns about the bill and the fiscal impact regarding salaries.

REP. LINDEEN wondered about the budget process and if there would be a budget formula for salaries. **CHAIRMAN VICK** responded this would be in statute and would not be changed without an amendment.

REP. FISHER commented putting these salary requirements in the statute. **REP. TROPILA** gave the committee correct figures for the salaries.

REP. CALLAHAN responded on the number of probation officers and their job requirements.

{Tape 3; Side A}

REP. BUZZAS spoke in favor of the amendment due to the hours the probation officers work.

CHAIRMAN VICK mentioned the changes to the effective date of the bill from 2001 to 2005.

Vote: Motion carried unanimously.

Motion: **REP. CALLAHAN** moved HB 62 DO PASS AS AMENDED.

Discussion:

REP. JAYNE read her notes regarding the salary issue during the testimonies. **John McEwen, State Personnel**, explained the salary survey done each year for elected officials.

Substitute Motion: **REP. KASTEN** made a substitute motion adopting a conceptual amendment to go to 40% instead of 50%.

Discussion:

REP. KASTEN clarified the amendment and reducing of numbers by 10%. **Taryn Purdy** said it would not impact the deputies.

REP. KASTEN said he would move to adjust the chiefs down 10% and the deputies down to 5%.

CHAIRMAN VICK spoke against the amendment because it would set salaries for non-elected officials based on the salaries of elected officials.

Vote: Motion carried 9-8 with **REP. BUZZAS**, **REP. CALLAHAN**, **REP. JAYNE**, **REP. KAUFMANN**, **REP. LINDEEN**, **REP. PATTISON**, **REP. TROPILA** and **REP. WITT** voting no.

Motion/Vote: **REP. PATTISON** moved HB 62 BE TABLED. Motion carried 11-7 with **REP. BUZZAS**, **REP. CALLAHAN**, **REP. JAYNE**, **REP. KAUFMANN**, **REP. LINDEEN**, **REP. PETERSON** and **REP. TROPILA** voting no.

EXECUTIVE ACTION ON HB 395

Motion: **REP. HAINES** moved HB 395 BE AMENDED.

Discussion:

REP. HAINES explained the bill and how it was relative to create the dental hygiene program at Montana State university in Great Falls.

Taryn Purdy explained how the funding would work.

REP. JOHN BRUEGGEMAN asked if support would be given to an amendment to reduce the general fund out of the bill. **REP. LINDEEN** responded that was the effect they had done.

REP. LEWIS said if they could raise the money the project would be funded.

Vote: Motion carried 16-2 with **REP. BUZZAS** and **REP. JAYNE** voting no.

Motion/Vote: **REP. HAINES** moved **HB 395 DO PASS AS AMENDED**. Motion carried 15-3 with **REP. BUZZAS**, **REP. JAYNE** and **CHAIRMAN VICK** voting no.

ADJOURNMENT

Adjournment: 5:00 P.M.

REP. STEVE VICK, Chairman

CECILE M. TROPILA, Transcriptionist

SV/PB

EXHIBIT (aph58aad)